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MICHIGAN: STATEWIDE

MSHDA. Making Michigan a better home.

The Michigan State Housing Development Authority is dedicated to making Michigan a better place to call home. Every partnership we forge, every program we design, everything we do works toward the goal of enhancing Michigan's economic and community vitality through housing and preservation activities.

For those areas of Michigan damaged by economic or social downturns, federal funding is vital. The growth and security of the state's homeowners, local businesses and communities are supported by Low-Income Housing Tax Credits (LIHTC), HOME funds, Tax-Exempt Bonds, and Federal Historic Preservation Tax Credits.

The focus of MSHDA is on:

- Creating affordable housing
- Ending homelessness
- Blight removal
- Stabilizing neighborhoods
- Revitalizing downtown areas



STATE CAPITOL BUILDING

STATE OF MICHIGAN FEDERAL FUNDING IMPACT (FY 2013–2016)

LOW-INCOME HOUSING TAX CREDIT*

STATEWIDE INVESTMENT:

\$1.1B

The LIHTC program is the most successful affordable housing production program in U.S. history forging public-private partnerships between the Federal government, state allocating agencies and private sector developers. MSHDA uses the 9% and 4% credit to assist in the financing of new construction and the preservation of existing structures.

THE HOME INVESTMENT PARTNERSHIP

STATEWIDE INVESTMENT:

\$73M

The HOME program helps communities build, buy or rehabilitate affordable housing for rent or ownership, often in partnership with local nonprofit groups. This flexible program allows state and local governments to use HOME funds for grants, direct loans, loan guarantees, rental assistance, security deposits or other credit enhancements.

TAX-EXEMPT BONDS

STATEWIDE INVESTMENT:

\$261M

MSHDA utilizes tax-exempt Private Activity Bonds to finance construction/rehabilitation loans for rental developments and federally-assisted rental housing as well as to fund single family mortgage products. These loans are designed to be used with the Low-Income Housing Tax Credit (Note: MSHDA single family products are not reflected in the above totals).

FEDERAL HISTORIC PRESERVATION TAX CREDIT

STATEWIDE INVESTMENT:

\$129M

The Federal Historic Preservation Tax Credit encourages investment in vacant or underused older buildings. Once rehabilitated, these structures end up back on local tax rolls and contributing to the community once again. Since 2003, historic rehabilitations using federal preservation tax credits resulted in nearly \$2.5 billion in direct investment.

*Number is a 10-year value of LIHTC
(All numbers are rounded to the nearest million)

APPLE BLOSSOM

IRON RIVER

DEVELOPMENT INFORMATION

TOTAL COST:

\$6.5M

UNITS:

22

JOBS CREATED*:

59

*Source: NAHB April 2015 report, "The Economic Impact of Home Building in a Typical Local Area."

MSHDA INCENTIVES/INVESTMENTS

ANNUAL LIHTC:

\$680,586

LIHTC 10-YEAR VALUE:

\$6.8M

HOME FUNDS:

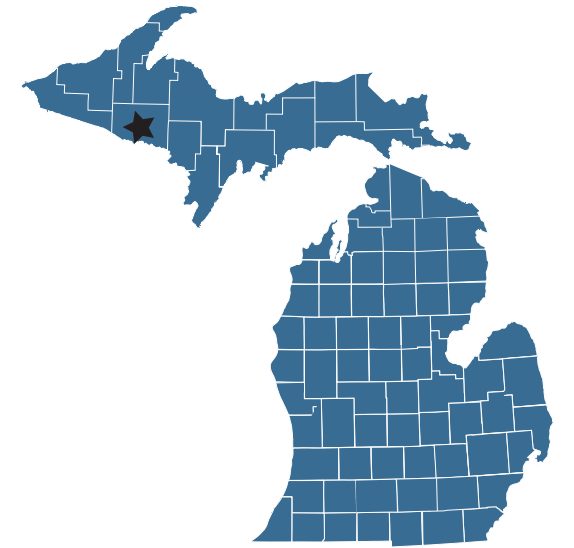
\$609,405

(All numbers are rounded to the nearest hundred thousand)

"Federal funding is crucial for the creation and retention of affordable housing units. Without it, deals like Apple Blossom would be very difficult to finance. We are thankful for the financial support MSHDA was able to bring to the table."

***Tim Hovey, Principal
Gryphon Group***

Apple Blossom Apartments in Iron River is one of many enhancements made in recent years to the thriving downtown district of this charming Upper Peninsula town, along with commercial, retail and other residential buildings. A skate park, bike paths and public schools are also in close proximity. The 22-unit family development is the result of the reuse of the historic Iron River Central School building. Many of the building's architecturally significant features – including stonework, gables and cupola – have been preserved or repaired. A landscaped courtyard, play area and carports have been added. The development is in accordance with Green Communities design criteria for eco-friendliness and utility efficiency.



THE GATEWAY

FREMONT

DEVELOPMENT INFORMATION

TOTAL COST:

\$12.3M

UNITS:

38

JOBS CREATED*:

110

*Source: NAHB April 2015 report, "The Economic Impact of Home Building in a Typical Local Area."

MSHDA INCENTIVES/INVESTMENTS

ANNUAL LIHTC:

\$1.1M

LIHTC 10-YEAR VALUE:

\$11.3M

FEDERAL HISTORIC TAX CREDITS:

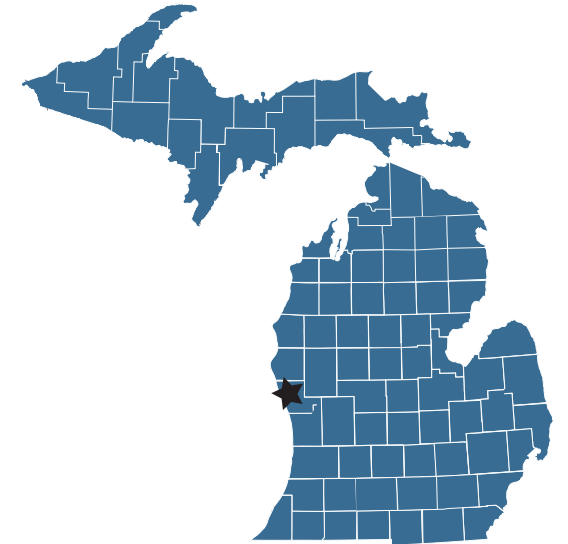
\$1.7M

(All numbers are rounded to the nearest hundred thousand)

"We used the Low-Income Housing Tax Credit and the Federal Historic Tax Credit. These deals are extremely complex. Without incentives from the county, the state, and the federal level these types of deals wouldn't happen."

***Shannon Morgan, Senior Vice President
HRS Communities***

Thanks to Home Renewal Systems and their hand-selected development team, The Gateway Apartments are now a valuable asset to the community. The rehabilitation provided 38 livable units for low-income seniors and gave new life to the historic Fremont High School. While much of the building's original architecture and fixtures were preserved during the project, many necessary changes to the building's systems like plumbing, roofing and HVAC were made. The prime location gives residents easy access to the downtown business district as well as local amenities, including the public library, city hall and recreation center.



CITY HALL ARTSPACE LOFTS

DEARBORN

DEVELOPMENT INFORMATION

TOTAL COST:

\$12.5M

UNITS:

46

JOBS CREATED*:

128

*Source: NAHB April 2015 report, "The Economic Impact of Home Building in a Typical Local Area."

MSHDA INCENTIVES/INVESTMENTS

ANNUAL LIHTC:

\$792,101

LIHTC 10-YEAR VALUE:

\$7.9M

FEDERAL HISTORIC TAX CREDITS:

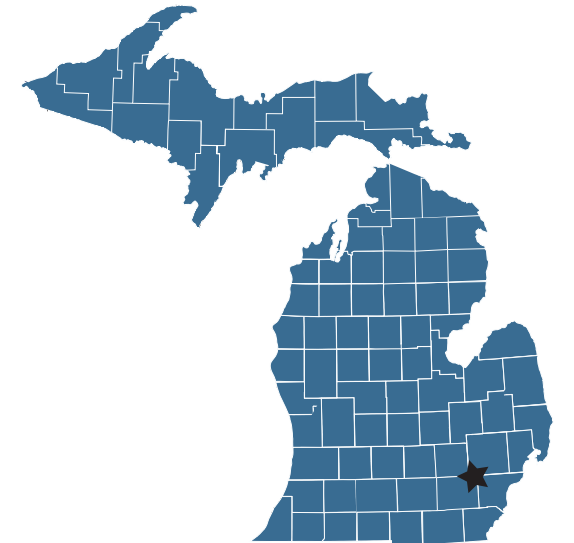
\$492,048

(All numbers are rounded to the nearest hundred thousand)

"This is an amazing space, amazing opportunity and a vision of the city to preserve the cultural heritage and celebrate the diversity of this great community. It was the perfect location for a fabulous historic renovation project that is now home to 53 artists and their families and 20,000 square feet of retail and commercial space for creative businesses. Without the federal tax credits, City Hall Artspace Lofts would not be possible."

***Heidi Zimmer, Senior VP of Property Development
Artspace***

The three buildings of the historic Dearborn City Hall campus, built in 1922, have been transformed into a vibrant artist colony of 46 live/work spaces. City Hall Artspace Lofts is the home to studios, arts organizations and various businesses in creative fields, and serves as art gallery, performance, film, reading, rehearsal and visiting artist-in-residency spaces. These historic buildings have been a part of Dearborn's heritage for almost a century, and are now the epicenter of the city's thriving, re-energized creative community.



SWAYZE COURT APARTMENTS

FLINT

DEVELOPMENT INFORMATION

TOTAL COST:

\$8.2M

UNITS:

69

JOB'S CREATED*:

80

*Source: NAHB April 2015 report, "The Economic Impact of Home Building in a Typical Local Area."

MSHDA INCENTIVES/INVESTMENTS

ANNUAL LIHTC:

\$676,290

LIHTC 10-YEAR VALUE:

\$6.8M

FEDERAL HISTORIC TAX CREDITS:

\$560,000

HOME FUNDS:

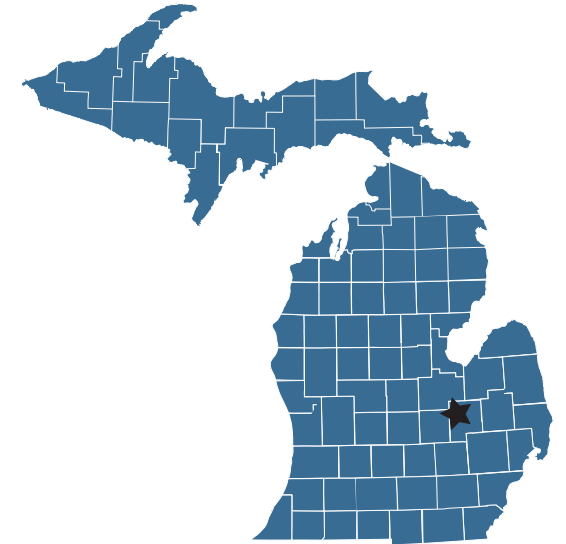
\$850,000

(All numbers are rounded to the nearest hundred thousand)

"These funding mechanisms allow us to build high-quality affordable housing where a person can live, where they know they are safe and happy and a place they can really call their own."

***Glenn and Essence Wilson, Founders
Communities First Inc.***

Swayze Court Apartments in downtown Flint designates 28 of its 36 units as permanent housing for persons with special needs and those at risk of homelessness. The remaining eight are earmarked for low-income residents. An impressive 2,000 square feet of community space regularly hosts enrichment classes and employment training for residents. Swayze Court is within walking distance of grocery stores, banks, churches, restaurants and mass transit. The Genesys Downtown Flint Medical Center and the University of Michigan-Flint are also nearby.





The Michigan State Housing Development Authority enhances economic and community vitality through housing and historic preservation activities.

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1-855-MI-MSHDA

